

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF MICHAEL L.) APPEAL NO. 07-A-2611
AND CHARLEEN M. SETY from the decision of the) FINAL DECISION
Board of Equalization of Valley County for tax year) AND ORDER
2007.)

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing February 22, 2008, in Cascade, Idaho before Hearing Officer Travis Vanlith. Board Members Lyle R. Cobbs, David E. Kinghorn, Linda S. Pike participated in this decision. Appellant Michael and Charleen Sety appeared. Assessor Karen Campbell, Chief Deputy Assessor Deedee Gossi and Appraiser Julie Yaters appeared for Respondent Valley County. This appeal is taken from a decision of the Valley County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. RP00179007003AA.

The issue on appeal is the market value of a residential property, specifically the value attributable to land.

The decision of the Valley County Board of Equalization is modified.

FINDINGS OF FACT

The assessed land value is \$213,820, and the improvements' valuation is \$231,740, totaling \$445,560. Appellants request the land value be reduced to \$110,667 and the improvements' value be remain at \$231,740, totaling \$342,407.

The subject property is an improved .736 acre lot located in Wagonwheel subdivision in Donnelly.

Appellants suggested the sales used by the Assessor as comparables were located across the lake in subdivisions with million dollar homes and thus were not comparable to subject.

The taxpayers also submitted a spreadsheet listing twenty-five 2005 sales. Lots ranged from .46 to 1.00 acre, with sale prices ranging between \$62,000 and \$135,000. Appellants suggested not all the sales were comparable with subject as they varied in size and had improvements.

Appellants testified subject had site improvements, such as a well, sewer hook up, power pole and driveway, which the sales do not have. Appellant was told by the County that site improvements had a value of approximately \$8,000. Therefore, the sale properties would require a positive \$8,000 adjustment to make them more comparable with subject

At hearing, Appellants provided Multiple Listing Service (MLS) data for three unimproved properties to support subject's proposed value of \$110,667. The sales occurred in 2005 and were located within one mile of subject. Lots ranged from .64 to .80 acres, with sale prices ranging from \$97,000 to \$110,000. Subject is .736 acres and was assessed at \$213,820.

Respondent stated subject's land grade was considered good and was compared to properties with the same grade.

The County provided data from six bare land sales and one improved property sale to establish subject's market value. It was maintained these were the best sales available for comparison to subject. The sales occurred in 2005 and 2006. Lots ranged between .275 and 1.726 acres, with sale prices between \$95,000 and \$238,000. The exact location of the comparable sales was not provided, nor were adjustments made to account for differences compared to subject.

The County maintained the State Tax Commission requires assessed values to be between 90% and 110% of market value each year. Ratio information showing the County was at 91% of market value for the sales was presented.

Respondent contended the two most comparable properties to subject were a .723 acre lot that sold for \$190,000 in August of 2006, and a .725 acre lot which sold for \$140,000 in September 2006. No information was provided as to the location of these sales.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-201(10) defines market value:

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Appellants did an excellent job of researching and presenting information to the Board. Appellant's evidence included a comparison of many sale properties to subject. The Taxpayers maintained the three sales most comparable to subject sold for \$97,000, \$101,000, and \$110,000. MLS data showing characteristics of the parcels was also submitted.

Respondent presented six bare land sales and one improved property sale in comparison to the subject property, two of which were considered most comparable to subject. The properties sold for \$140,000 and \$190,000. The subject lot was assessed at \$213,820.

After examining both parties' sales, we find it more probable that subject was assessed in excess of market value. The Board will therefore modify the decision of the Valley County Board of Equalization to reflect a decrease in the assessed land value to \$150,000 with the improvements' value to remain at \$231,740, resulting in a total assessed value of \$381,740.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Valley County Board of Equalization concerning the subject parcel be, and the same hereby is, modified to reflect a total value of \$381,740.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellants.

MAILED April 3, 2008